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To: County Superintendents of Schools, County Auditors, and County Treasurers

From: Janet Sterling, Director
School Fiscal Services Division

Subject: 2000-2001 Second Principal Apportionment

Near the end of June, county treasurers will receive a warrant that reflects state aid for programs included in the 2000-2001 Second Principal Apportionment for elementary, high, and unified school districts, charter schools and county offices of education. The 2000-2001 Second Principal Apportionment statewide equals \$18,827,884,839.

Enclosed are exhibits that provide the Second Principal Apportionment and prior-year corrections detail. An exhibit is distributed for a particular local educational agency (LEA) only if the exhibit is relevant to that LEA's funding. Please note that exhibits for the Special Education apportionment are being sent in a separate mailing.

Also enclosed is a summary of the method by which the 2000-2001 Second Principal Apportionment was calculated, a list of the exhibits, and a list of the staff of the School Fiscal Services Division (SFSD) to assist you if you have questions regarding the apportionment.

For your convenience, many of the current year exhibits are available on SFSD's Internet web site under Principal Apportionments at www.cde.ca.gov/sfsdiv/.

Note to County Superintendents: Please advise districts and charter schools of this apportionment as soon as possible by providing them a copy of this letter and applicable exhibits.

Enclosures

Calculations to Determine the 2000-2001 Second Principal Apportionment

1998-99 Prior Year Adjustments

Adjustments to the 1998-99 State Aid Apportionment are due primarily to the processing of amended attendance reports submitted by districts and county offices of education. All corrections reducing average daily attendance (ADA) or instructional hours that were submitted as a result of an audit are reflected as a reduction in State Aid. Pursuant to *Education Code* Section 41344 (b), ADA disallowed as a result of an audit finding will be recognized in the apportionment, regardless of whether the local educational agency (LEA) experiences a decline in ADA from the year preceding the audit finding. In other words, the declining enrollment adjustment would not apply to the ineligible ADA.

School District

Supplemental Instruction. 2000-01 Second Principal Apportionment (P2) actual hours were used for pupils receiving supplemental instruction in core programs and pupils enrolled in grades 7 through 12 who do not demonstrate sufficient progress toward passing the exit examination (the former “remedial” program). The maximum number of funded hours for an LEA for core supplemental instruction was calculated by multiplying 120 hours by seven (7) percent of October 1999 CBEDS K-12 enrollment, less direct funded charter enrollment.

Elementary School (K-4) Intensive Reading. 2000-01 P2 hours of attendance in this program by pupils in kindergarten and grades 1 to 4 were used. The maximum number of funded hours was calculated by multiplying 120 hours by ten (10) percent of October 1999 CBEDS K-4 enrollment, reduced by direct funded charter enrollment.

Necessary Small Schools. 2000-01 P2 ADA for necessary small schools and the Schedule F funding table were used.

Meals for Needy Pupils. 2000-01 P2 pupil participation in the program was used.

Unemployment Insurance (UI). 2000-01 P2 estimate of the annual additional UI costs was used.

Continuation Schools. 1999-00 P2 ADA for continuation schools was multiplied by \$20.43 (dollar amount of 2000-01 COLA) and added to the LEAs’ 1999-00 continuation school funding. Newly approved continuation schools for 2000-01 were also included in the calculation.

PERS Reduction. 2000-01 P2 estimate of the annual PERS adjustment was used.

Calculations to Determine the 2000-2001 Second Principal Apportionment

Page 2

Apprentice Program. The lesser of the 2000-01 P2 apprentice hours or the 2000-01 capped apprentice hours were multiplied by the hourly rate of \$4.86.

Community Day School. 2000-01 P2 ADA for community day schools was used. Schools with newly approved waivers will receive the amount for one certificated teacher displayed on the Schedule F funding table for necessary small schools plus the supplemental hourly funding.

Intensive Algebra Instruction. 2000-01 P2 hours of attendance by pupils in grades 7 and 8 were used. The maximum number of funded hours was calculated by multiplying 120 hours by six (6) percent of October 1999 CBEDS 7-8 enrollment, reduced by direct funded charter enrollment.

Beginning Teacher Salary. The 1999-00 per ADA amount was increased by the 2000-01 COLA (3.17 percent), and then multiplied by the applicable 1999-00 ADA (the program is funded on prior year ADA). The same calculation was performed separately for ROC/P ADA. The two totals were combined and added to the districts' revenue limits. The total is included in the State Aid total displayed in Column One of Exhibit C.

County Office of Education

The ADA reported on the J-27/28 2000-2001 P-2 attendance form was used to calculate this apportionment. Revenue limits were increased by the 2000-01 COLA of 3.17 percent.

Charter Schools

The apportionment for charter schools was computed using two funding models – the district or county office revenue limit model and the block grant model. Exhibit N provides the computation for charter schools funded through the district revenue limit model. There is no special exhibit for charter schools funded through the county office revenue limit. Exhibits N-1 (General Purpose Block Grant) and N-2 (Categorical Block Grant) provide the computation for charter schools that are funded through the block grant funding model.

Exhibit C provides funding information about school districts, including both traditional and charter schools. Funding for direct funded (block grant) charter schools is separately identified. However, funding for both revenue limit funded charter schools and locally funded (block grant) charter schools is included in the district totals. Exhibit C-CH shows funding information for locally funded (block grant) charter schools. These amounts are already included in the district totals. Change in funding entitlement for years prior to 2000-01 is displayed on Exhibit G-17. Funding entitlements change, in general, to reflect revised ADA or updated tax information. Only those charters with prior year changes (“corrections”) are displayed.

The apportionment also includes funding adjustments to charter schools that have received overpayments of state aid due to one or more changes in the block grant rates, ADA, local revenue, and adjustments to prior years. The overpayment for the charter school represents an amount that is owed back to the state and will be adjusted in the charter school's subsequent apportionments. The overpaid amounts are displayed on the Exhibit C and Exhibit C-CH.

Calculations to Determine the 2000-2001 Second Principal Apportionment

Page 3

The general purpose (block grant) amounts per ADA are based on statewide average revenue limits for the applicable grade levels. These amounts are calculated at each apportionment, and the 2000-01 Second Principal Apportionment amounts are as follows:

Grades K-3	\$4,234	Grades 4-6	\$4,292
Grades 7 & 8	\$4,415	Grades 9-12	\$5,120

The categorical (block grant) amounts per ADA are as follows :

Grades K-3	\$328	Grades 4-6	\$338
Grades 7 & 8	\$246	Grades 9-12	\$313

The funding per identified educationally disadvantaged pupil is \$93 per pupil. The minimum grant amounts are \$4,626 for one to ten eligible pupils and \$6,942 for eleven or more eligible pupils.

Adult Education

The entitlement for adult education was calculated using the lesser of the 2000-01 P2 ADA or the 1999-00 adult education ADA cap as increased by a growth factor of 2.5 percent. This ADA is then multiplied by the 2000-01 adult education revenue limit including COLA and equalization.

ROC/P (Regional Occupational Centers/Programs)

The lesser of the revised 1999-00 Annual reported ADA or the 2000-01 ROC/P ADA cap was multiplied by the 2000-01 revenue limit to establish the base funding. A 3.17 percent COLA of \$88 per ADA was added to the weighted base revenue limit to establish the 2000-01 revenue limit.

GATE (Gifted and Talented Education)

2000-01 P2 pupil participants were used. Funding rates were increased by the 2000-01 COLA of 3.17 percent.

Division Staff Contacts for Apportionment Questions

Manager - Principal Apportionment Unit

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Adult Education Revenue Limits

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County Office Tax Amounts

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School District Revenue Limits

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